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ONE HUNDRED EIGHTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON THE JUDICIARY

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October 27, 2003

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Right Honorable Gordon Brown, MP
Chancellor of the Exchequer
HM Treasury
1, Horse Guards Road
London, SW1A 2HQ

Dear Chancellor:

It is my understanding that for the last several years, your government has been studying the reform of the gambling laws of the United Kingdom. It is also my understanding that these studies have resulted in draft legislation that will be scrutinized by Parliament over the coming months with a view to introducing a bill later in 2004.

Among these reforms are measures to license and regulate what is referred to in the United Kingdom as "remote gambling" and here in the United States as Internet gambling. The stated aim of your government is "to create a regulatory environment within which British operators can compete for a share of the global market for online gaming." (United Kingdom Department for Culture, Media and Sport) In doing so, we understand that you will provide for:

- Prohibition of such companies from engaging in or facilitating any money laundering activity;
- Requirements and procedures to prevent minors from placing any online bet or wager with a UK licensed company;
- Measures to identify, and take reasonable steps to make assistance available to, problem gamblers who attempt to use the online betting and wagering services provided by such company; and,
- Establishing and enforcing controls sufficient to ensure that betting and wagering transactions are conducted in a fair and trustworthy manner that protects the interests of consumers.

Right Honorable Gordon Brown, MP

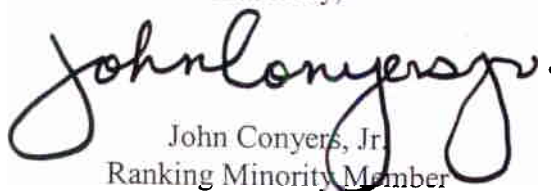
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However, you may be aware that the House of Representatives has passed and the Senate will soon consider legislation (S. 627) to ban the use of any payment system, credit cards and electronic funds transfer for "illegal Internet gambling." The purpose of this legislation, which applies to "international, national, regional or local network utilized to effect a credit transaction, electronic fund transfer..." is to prohibit U.S. citizens from making Internet wagers, specifically with companies outside the U.S. This proposed legislation would effectively close the U.S. market to Internet gambling operations licensed and operating in the United Kingdom.

In light of this initiative by the government of the United Kingdom and the continuing close ties between our countries, I would hope that you could provide me with the views of your government on this legislation.

Sincerely,



John Conyers, Jr.
Ranking Minority Member

cc: Mr. Mark Bowman
Principal Private Secretary
Office of the Chancellor of Exchequer
HM Treasury
1, Horse Guards Road
London, SW1A 2HQ